GOVERNMENT OF INDIA
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
LOK SABHA

UNSTARRED QUESTION NO:2039
ANSWERED ON:01.12.2000
PERFORMANCE OF WAGON MANUFACTURING UNITS
ALE NARENDRA;JASWANT SINGH YADAV;RAMANAND SINGH

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) the names and number of wagons manufacturing units in the country and their performance during 1997,1998 and 1999;

(b) whether some of these units are running in losses;

(c) if so, the reasons therefore; and

(d) the steps taken by the Government to improve the performance of these units?

Answer

MINISTER OF STATE FOR HEAVY INDUSTRIES & PUBLIC ENTERPRISES (DR. VALLABH BHAI KATHIRIA)
(a)to (d): A statement is enclosed.
STATEMENT REFERRED TO IN REPLY TO LOK SABHA UNSTARRED QUESTION NO.2039 FOR ANSWER ON 1.12.2000 REGARDING PERFORMANCE OF WAGON MANUFACTURING UNITS RAISED BY SHRI RAMANAND SINGH, SHRI NARENDRA AND DR. JASWANT SINGH YADAV:

(a) & (b): There are 13 major Wagon Manufacturing Companies in the country namely.

1. Bharat Wagon Engineering Co. Ltd., Patna

2. Braithwaite & Co. Ltd., Calcutta

3. Burn Standard Co. Ltd., Calcutta

4. Jessop & Co. Ltd., Calcutta

5. Southern Structural Ltd., Chennai
6. Bridge & Roof Co. Ltd., Calcutta

7 Cimmco Birla Ltd., Bharatpur, Rajasthan

8. Texmaco Ltd., Calcutta

9. Modern Industries, Sahibabad, U.P.
10. Hindustan Development Corporation, Calcutta
11. BESCO Ltd., Calcutta
12. Titagarh Steel Ltd., Calcutta
13. Hindustan General Industries Ltd., Delhi (under shifting)

In addition some companies have been given developmental orders by the Railways. Information regarding performance including losses, is not centrally maintained in respect of all the companies. Wagon industry was delicensed in 1991. All the wagon manufacturers are not members of a single body, association etc. Data relating to physical production, which is available is given below:-
Actual production of wagons against Railway Board`s orders during last 3years (Excludes production against direct orders received by firms from other than Railway parties)

(Figures in four wheelers units)

Sl.No.	Name of the wagon manufacturing Companies.	1997-98	1998-99	1999-2000

1.Bharat Wagon Engineering Co. Ltd.,Patna 2537.5 2125 1080

2.Braithwaite & Co. Ltd., Calcutta 2697.5 2587.5 2092.5

3.Burn Standard Co. Ltd., Calcutta 3645 4030 3160

4.Jessop & Co. Ltd., Calcutta 157.5 407.5 187.5

5.Southern Structural Ltd., Chennai 380 475 370
6.Bridge & Roof Co. Ltd., Calcutta NIL NIL 52.5

7Cimmco Birla Ltd., Bharatpur, Rajasthan 2535 1522.5 960

8.Texmaco Ltd., Calcutta 4130 3695 1585

9.Modern Industries, Sahibabad, U.P. 1325 1032.5 1457.5
Calcutta
10.Hindustan Development Corporation, 4315 3190 1012.5
11.BESCO Ltd., Calcutta 540 1255 1247.5
12.Titagarh Steel Ltd., Calcutta 412.5 1032.5 737.5

The financial performance of the major Public Sector wagon manufacturingcompanies during the period 1997-98, 1998-99 & 1999-2000 is as follows:-

S.No.	Wagon Manufacturing Companies	1997-98		1998-99		1999-2000	
		Production Rs./Cr.	Profit (Loss) Rs./Cr.	Produc-tion	Profit (Loss) Rs./Cr.	Produc-tion	Profit (Loss)
1.	Bharat Wagon Enginnering Co.Ltd., Patna	2537.5	0.46	2125	0.22	1080	(10.78)
2.	Braithwaite & Co. Ltd., Calcutta	2697.5	2.14	2587.5	0.41	2092.5	(14.13)
3.	Burn Standard Co., Calcutta	3645	(88.78)	4030	(26.95)	31.60	(35.41)
4	Jessop & co. Ltd., Calcutta	157.5	(39.54)	407.5	0.70	187.5	(43.93)
5.	Bridge & Roof Co. Ltd., Calcutta	NIL	2.85	NIL	3.80	52.5	6.15

All figures in four wheeler units.
(c)& (d): Old plant & machinery, obsolete technology, excess manpower, high interest burden, shortage of working capital, inadequate orders and low unremunerative prices have been the main reasons for losses in the major wagon manufacturing Central Public Sector Undertakings. Government has provided funds as well as other reliefs and concessions to Braithwaite & Co.Ltd., Calcutta, Burn Standard Co. Ltd., Calcutta & Jessop & Co. Ltd.,Calcutta as envisaged in their BIFR sanctioned revival packages.Government has also assisted these companies in getting orders.